

ACCESS SERVICE

7. Special Access Service (Cont'd)7.1 General (Cont'd)7.1.3 Service Configurations (Cont'd)(B) Multipoint Service

Multipoint service connects three or more customer designated premises through a Telephone Company Hub. There is no limitation on the number of mid-links available with multipoint service. However, when more than three mid-links are provided in tandem, the quality of the service may be degraded. A mid-link is a channel between Hubs (i.e., bridging locations). Only certain types of Special Access Service are provided as multipoint service. These are so designated in the Service Descriptions set forth in 7.2 following.

Multipoint service utilizing a customized technical specifications package as set forth in 7.2 following will be provided when technically possible. If the Telephone Company determines that the requested characteristics for a multi-point service are not compatible, the customer will be advised and given the opportunity to change the order.

When ordering, the customer will specify the desired bridging Hub(s) selected from the Exchange Carrier Association Tariff F.C.C. No. 4. This Tariff identifies type(s) of bridging functions which are available and the serving wire centers at which they are available.

Applicable Rate Elements are:

- Channel Terminations (one per customer designated premises)
- Channel Mileage (as applicable between each designated customer premises and the Hub and between Hubs)
- Bridging

- Additional Optional Features (when applicable).

In addition, the Special Access Surcharge as set forth in 7.4.2 following and a Message Station Equipment Recovery Charge as set forth in 7.4.3 following may be applicable.

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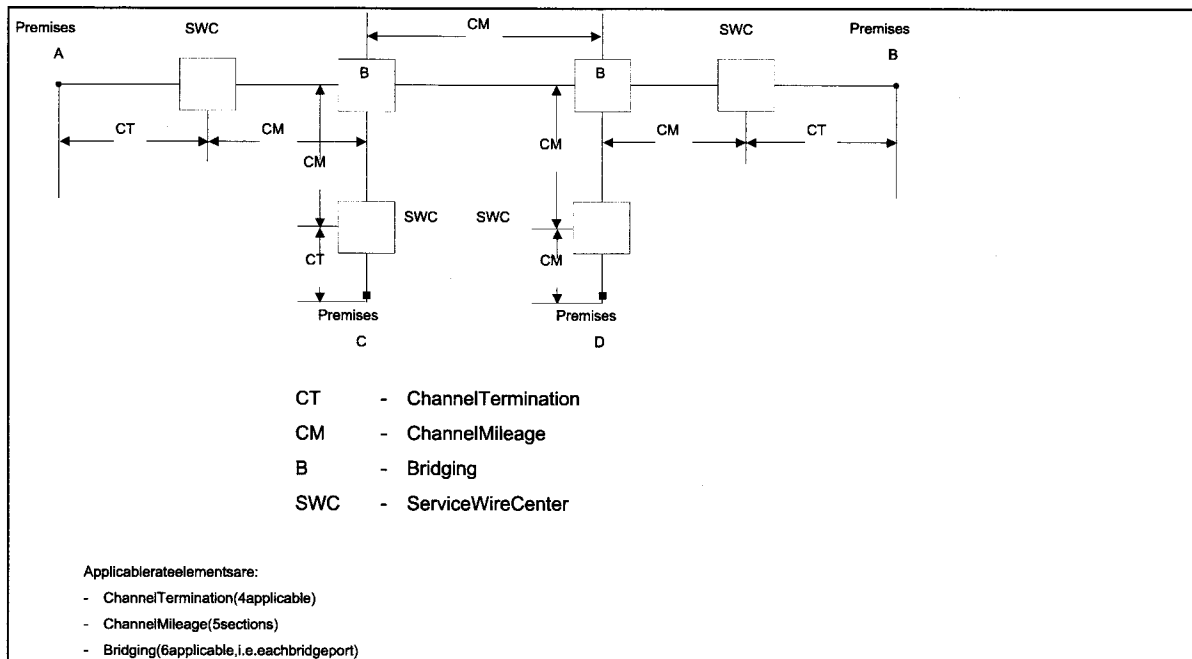
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Vice President
2980 Fairview Park Drive, Falls Church, Virginia 22042

ACCESS SERVICE

7. Special Access Service (Cont'd)7.1 General (Cont'd)7.1.3 Service Configurations (Cont'd)(B) Multipoint Service (Cont'd)

Example: Voice Grade multipoint service connecting four customer premises via two customer specified bridging hubs.



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Vice President
2980 Fairview Park Drive, Falls Church, Virginia 22042

ACCESS SERVICE

7. Special Access Service (Cont'd)7.1 General (Cont'd)7.1.4 Alternate Use

Alternate Use occurs when a service is arranged by the Telephone Company so that the customer can select different types of transmission at different times. A customer may use a service in any privately beneficial manner. However, where technical or engineering changes are required to effectuate an alternate use, the Telephone Company will make such special arrangements available on an individual case basis.

The arrangement required to transfer the service from one operation to the other (i.e., the transfer relay and control leads) will be rated and provided on an individual case basis and filed in Section 12, Specialized Service or Arrangements. The customer will pay the stated tariff rates for the Access Service rate elements for the service ordered (i.e., Channel Terminations, Channel Mileage [as applicable] and Optional Features [if any]).

7.1.5 Special Facilities Routing

A customer may request that the facilities used to provide Special Access Service be specially routed. The regulations, rates and charges for Special Facilities Routing (i.e., Avoidance, Diversity and Cable-Only) are set forth in this section and in 11. following:

7.1.6 Design Layout Report

At the request of the customer, the Telephone Company will provide to the customer the make-up of the facilities and services provided under this tariff as Special Access Service to aid the customer in designing its overall service. This information will be provided in the form of a Design Layout Report. The Design Layout Report will be provided to the customer at no charge, and will be reissued or updated whenever these facilities are materially changed.

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Vice President
2980 Fairview Park Drive, Falls Church, Virginia 22042

ACCESS SERVICE

7. Special Access Service (Cont'd)7.1 General (Cont'd)7.1.7 Acceptance Testing

At no additional charge, the Telephone Company will, at the customer's request, cooperatively test, at the time of installation, the following parameters:

- (A) For Voice Grade analog and WATS Access Line services, acceptance tests will include test for loss, 3-tone slope, DC continuity, operational signaling, C-notched noise and C-message noise when these parameters are applicable and specified in the order for service. Additionally, for Voice Grade services, a balance (improved loss) test will be made if the customer has ordered the improved loss optional feature.
- (B) For other analog services (i.e., Metallic, Telegraph, Program Audio, and Video) and for digital services (i.e., Digital Data High Capacity) acceptance tests will include tests for the parameters applicable to the service as specified in the order for service.

(D)

In addition to the above tests, Additional Cooperative Acceptance Testing for Voice Grade Service to test other parameters, as described in 13.3.4(B)(1) following, is available at the customer's request. All test results will be made available to the customer upon request.

7.1.8 Ordering Options and Conditions

Special Access Service is ordered under the Access Order provisions set forth in 5. preceding. Also included in that section are other charges which may be associated with ordering Special Access Service (e.g., Service Date Change Charges, Cancellation Charges, etc.)

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1300 I Street, NW, Washington, DC 20005

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ACCESS SERVICE

7. Special Access Service (Cont'd)

7.1 General (Cont'd)

7.1.9 Special Access Surcharge

In addition, a Special Access Surcharge as set forth in 7.5.14 following will apply to jurisdictionally interstate private line facilities provided by the Telephone Company to a customer, in accordance with regulations as set forth in 7.4.2 following.

7.1.10 Connections with Other Network Services

Special Access Service may be ordered to allow connections between the end user premises and serving wire center which provides Other Network Services.

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2980 Fairview Park Drive, Falls Church, Virginia 22042

EXHIBIT 22

Verizon Tariff F.C.C. No. 1, Section 7.2.13,
Facilities Management Service#

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service#

(T)

Effective May 1, 2009, requests for new FMS plans are no longer accepted. The Telephone Company will continue to provide service pursuant to this Section 7.2.13 on any existing FMS plans for only those ACNAs and LATAs where such FMS plans are in service as of April 30, 2009 (Existing FMS), subject to the following conditions:

(N)

- a. The Telephone Company will provide Existing FMS until the expiration date of the customer's current term plan commitment period, including any applicable extension period provided under (c) following, at which time Existing FMS shall be converted as specified in Section (b) following. Individual circuits may be added, changed or disconnected throughout the current commitment period, including any applicable extension period provided under (c) following. For any customer, including any affiliates, with Existing FMS under multiple term plans with different expiration dates (for different LATAs), the customer may either (i) continue with the existing expiration dates or (ii) select one of the expiration dates to be applicable to all of the Existing FMS term plans. The customer must provide the Telephone Company with written notification of its choice by no later than July 15, 2009.
- b. Customers who wish to convert Existing FMS to standard Telephone Company provided Special Access Service, shall specify, at least three (3) months prior to the expiration date of the Existing FMS commitment period, any then effective Month-to-Month, discount or term plan available for Switched Access Service in this tariff, to be effective upon expiration of the commitment period or extension, as applicable. In the alternative: (i) customers who also subscribe to Commitment Discount Plan (CDP) or National Discount Plan (NDP) may take no action, and upon expiration of the Existing FMS commitment period or extension, as applicable, the Telephone Company will convert the Existing FMS to Special Access Service provided under CDP or NDP, as applicable; or (ii) non-CDP/non-NDP subscribers may take no action, and upon expiration of the Existing FMS commitment period or extension, as applicable, the Telephone Company will convert the Existing FMS to Special Access Service provided under the Month-to-Month, discount or term plan applicable to the secondary premises of the circuit, with any remaining FMS without billable rate elements under FMS converted to Special Access Service provided on a Month-to-Month basis.
- c. For customers who wish to convert Existing FMS to standard Telephone Company provided Special Access Service as specified in Section (b) preceding, the Telephone Company will provide up to twelve (12) additional months under any Existing FMS plan for network optimization provided the customer sends written notification, setting forth how many additional months they want for an extension, to the Telephone Company by not later than three (3) months prior to the expiration date of the Existing FMS plan commitment period. The customer may request service rearrangements and/or coordinated reterminations during such extension. In accordance with Section 7.2.13(D)(15), Service Rearrangement nonrecurring charges and Coordinated Retermination nonrecurring charges for Existing FMS will not apply during the requested extension. Existing FMS term plan monthly rates will apply to all circuits until the conversion of Existing FMS to standard Telephone Company provided Special Access Service is complete.

(N)

Certain material previously found on this page can now be found on Original Page 7-85.1.

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Vice President, Federal Regulatory
1300 I Street, NW, Washington, D.C. 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(A) General (Cont'd)

(M)

Facilities Management Service (FMS) is a service option that provides for Telephone Company management of engineering and design of a customer's special access network from the customer's designated "primary premises" location(s) to Serving Wire Centers of secondary locations within the same LATA. Connection to the secondary location may be direct or through a Telephone Company location where multiplexing to a higher capacity service of a non-FMS customer occurs. With FMS, the Telephone Company assumes responsibility for the routing of the customer's dedicated circuits over the Telephone Company Special Access Network in order to maximize network efficiencies and to optimize economic efficiencies.

(B) Definitions

Entrance Facility: the facilities between a customer's network interface at its primary premises and its Serving Wire Center.

DS0 Equivalency: a DS0 channel is the basic building block for high capacity digital services.

8,064 DSOs = 1 STS12
2,016 DSOs = 1 STS3
672 DSOs = 1 DS3 or 1 STS1
24 DSOs = 1 DS1
1 DSO = 1 Voice Grade, or DDS channel

Network Interface: the interface point at a customer's premises where connection is made between the FMS network and the customer's network. FMS network interfaces are DS1, DS3 optical and electrical, and IEF STS1, OC3, OC12 and OC48.

Primary Premises: A location designated by the customer where an FMS circuit/channel is either originated or terminated; only one end of the circuit can be designated a Primary Premises. Additionally, a primary premises must meet the criteria for one of the following two types described below:

(M)

Service availability limited. See # footnote on Page 7-85.

(N)

Certain material on this page formerly appeared on 1st Revise Page 7-85.

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1300 I Street, NW, Washington, D.C. 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(B) Definitions (Cont'd)

Type 1: a location with an entrance facility of a minimum of 672 Special and/or Switched Access working DS0 equivalent channels and a DS3, STS1, OC3, OC12, or OC48 network interface, or one with Collocated Interconnection DS3 Cross-connect Service and a DS3 network interface

Type 2: a location with Collocated Interconnection DS1 Cross-connect Service and a DS1 network interface, or one with an entrance facility of a minimum of 144 Special and/or Switched Access working DS0 equivalent channels and a DS1 network interface.

Secondary Premises: customer location other than a primary premises; (e.g., a customer's end user premises). Secondary premises are not included as part of the customer's FMS. Connection to a secondary premises may be direct or through a Telephone Company location where service is multiplexed on to a facility of a non-FMS customer. When the secondary premises of the non-FMS customer utilizes IntelliLight® Dedicated SONET Ring (DSR) as set forth in Section 23.1 following, the associated port on the DSR node will be billed to the FMS customer. The port on the DSR node allows for lower capacity service to be added to, or dropped from, the high capacity dedicated ring.

(C) Service Description

With FMS, Voice Grade, Digital Data, High Capacity and IntelliLight Entrance Facilities (IEF) Special Access services are provided to the customer over discrete channels. The Telephone Company will engineer the service from the FMS entrance facility of the customer's designated primary premises to the Wire Center associated with the secondary premises over its own Special Access network. The wire center associated with the secondary premises may be the wire center serving the secondary premises, the wire center where the Special Access Service will be added to the DSR node of a non-FMS customer, or a Telephone Company Hub where service is multiplexed on to a higher capacity facility of a non-FMS customer. The channel routing to the serving wire center, DSR node or Hub, as applicable, may not be designated by the customer as it is for most Telephone Company regular Special Access High Capacity Services (see Section 5.2).

Service availability limited. See # footnote on Page 7-85.

(N)

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1300 I Street, NW, Washington, D.C. 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(C) Service Description (Cont'd)

Facilities Management Service is an alternative to the customer's self-management of its network of standard special access channel services, and will therefore be rated discretely. See Section 7.5.18.

- (1) FMS is available in all LATAs, and is provided on a LATA basis. FMS IEF service is provided where SONET facilities are available as described in 7.2.14(C) (2) (b).
- (2) FMS is provided on a month-to-month basis or, at the option of the customer, under a three-year or five-year term plan. The minimum period for FMS when provided on a month-to-month basis is one year. The minimum billing for individual channels within the FMS network is one month. However, FMS IEF channel terminations are only available for either a three or five-year term plan.
- (3) FMS is available to any customer that meets the following minimum requirements:
 - (a) The customer must have at least one primary premises as defined in 7.2.13(B) preceding, within the LATA.
 - (b) All of a customer's primary premises and the associated Voice Grade, DDS, High Capacity and IEF services must be included in the FMS plan for that LATA.
 - (c) All Primary Premises in the plan must be of the same type.

(D) Terms and Conditions

The following terms and conditions apply to FMS:

- (1) The customer will designate in the initial FMS order: the LATA, type of primary premises, and the term period. Only one FMS commitment period or plan is allowed per LATA.
- (2) The customer must maintain a minimum of one primary premises for the entire plan term.

Service availability limited. See # footnote on Page 7-85.

(N)

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1300 I Street, NW, Washington, DC 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)(D) Terms and Conditions (Cont'd)

(3) When a FMS Term Plan is selected, the customer must maintain an annual minimum of 90% of the initial commitment of DS0 equivalent service for the duration of the term plan.

(a) The Company will annually, on the anniversary date of the term plan, calculate the average quantity of DS0 equivalent services for the previous 12 months (including any DS0 equivalent services that were replaced by a Replacing Service(s) using the methodology for a Technology Migration specified in Section 2.9.3 preceding).

(N)
|
(N)

(b) When the annual average number of services falls below the commitment level, the customer has the following options:

(i) Buy down the commitment level by paying termination liability, as assessed in 7.2.13(F), on the shortfall between the commitment level and the previous 12 month average. The monthly charge for the discontinued portion of the service is equal to the number of services below the commitment level multiplied by the customer's average DS0 rate based on the previous 12 months of billing.

or

(ii) Retain the original commitment level and pay 12 months of charges for the DS0 equivalent shortfall using the customer's average DS0 rate based on the previous 12 months billing.

(c) If the FMS Term Plans in multiple LATAs share a common expiration date and the same type of Primary Premises then the associated commitment level will be aggregated to a single total. Fulfillment of the commitment level will be determined as stated in 7.2.13(D)(3)(a) preceding; however, the calculation will be on the aggregate level for all eligible LATAs.

Service availability limited. See # footnote on Page 7-85.

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1300 I Street, NW, Washington, DC 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)(D) Terms and Conditions (Cont'd)

- (4) The customer will provide a DS1, DS3 or STS1 electrical, a DS3 optical, or an OC3, OC12, or an OC48 optical network interface at each primary premises.
- (5) The FMS customer, when ordering Voice Grade, DDS, High Capacity and IEF services, will specify the type of service, the VT mapping for an STS1 channel termination, and will indicate the starting point or primary premises and the location of the secondary premises.
- (6) The Company will provide the same service intervals and quality standards for services in an FMS plan as for the standard Special Access services.
- (7) In any jurisdiction where switched access FMS is not available, and both switched and special access terminate at the same primary premises, the Company will use a switched access offset in the determination of the proper rate band of FMS Channel Termination charges. This offset will be calculated by including up to 75% of the Feature Group B and D trunks in the DS0 equivalency total.
- (8) FMS is not applicable to the following services and service options:
 - (a) IntelliMux®
 - (b) services in other rate plans such as Term Pricing, Federal Communications Access Services or Rate Stability plans.
 - (c) central office multiplexing, e.g., voice to telegraph, DS1 to DS0, DS0 to subrates.
 - (d) Automatic Loop Transfer
 - (e) Transfer Arrangement
 - (f) Metallic, Telegraph, WATS, Program Audio, Video and Lightwave Special Access Services (D)
 - (g) Secondary Premises or End User Channel Terminations
 - (h) Shared Network Arrangement (Exception: see (9) following).

Service availability limited. See # footnote on Page 7-85.

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1300 I Street, NW, Washington, DC 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(8) (Cont'd)

- (i) Verizon Dedicated SONET Ring (DSR), IntelliLight Shared Assurance Network (ISAN), and IntelliLight Shared Single Path (ISSP)
 - (j) IntelliLight Broadband Transport (IBT), except when non-multiplexed and associated with an IntelliLight Entrance Facility (IEF)
- (9) Shared Network Arrangements (SNAs) are not allowed under FMS, except for services connected to secondary premises over a higher capacity facility of a non-FMS customer. A FMS customer whose network contains other SNAs must choose one of the 2 options following:

(a) SNA Transition Period

The customer is allowed a transition period of one year, beginning with the effective date of the FMS application for service, in which to convert embedded base Shared Network Arrangements (SNAs). No new SNAs will be established once an FMS application for service becomes effective.

The embedded base of SNA services will not be included in the DSO calculation to determine the customer's FMS Rate Band for billing of Primary Premises Channel Terminations. However, these SNA services will be billed at the FMS rates as identified for the other standard FMS circuits.

The customer must remove all SNAs from their account prior to the end of the one-year transition period. The Company will notify the customer 60 days prior to the end of the transition period of any SNA services that remain on the customer's account. Failure to eliminate the SNAs will result in termination of service with termination liability charges.

Service availability limited. See # footnote on Page 7-85.

(N)

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1300 I Street, NW, Washington, D.C. 20005

ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(9) (Cont'd)

(b) Virtual SNA Billing Option

The Virtual SNA Billing Option provides a billing solution so the customer may avoid the expense of physically moving these shared circuit arrangements onto separate circuit facilities. The Virtual SNA Billing option will produce a bill for the embedded SNAs that closely approximates the recurring monthly charges the customer would incur if the SNAs were converted to physically separate non-FMS facilities.

If the customer selects this option, the Telephone Company will first produce an inventory of SNA circuits that are terminating at each of the customer's point of termination locations. Second, the Telephone Company will develop a count of DS3 channel terminations or Collocated Cross-Connects and 3/1 multiplexers that would be required at each point of termination to serve these SNA circuits. The Telephone Company then will price these facilities by using five-year term rates specified in Section 7.5.9 following. The result of this pricing exercise will be a replication of access facility charges that the customer would incur if a separate network were to be established specifically to serve these SNA circuits.

Service availability limited. See # footnote on Page 7-85.

(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(9) (Cont'd)

(b) Virtual SNA Billing Option (Cont'd)

The charges developed from the process described above will be billed monthly for a period of one year. Sixty (60) days prior to the end of this billing period, a new inventory will be conducted that will result in new Virtual SNA Billing Option charge to be billed through the next year of the customer's FMS term plan. This process will continue until the FMS plan is terminated, or until the customer physically removes the SNA circuits from FMS facilities.

- (10) The customer may also order Alternate Serving Wire Center (ASWC) and IntelliLight® Shared Dual Path (ISDP) as service options for FMS service. ASWC and ISDP are described in Sections 7.2.9(D)(7) and 7.2.14(C)(2), respectively.

When ordering either optional service, ASWC or ISDP, the term period for the optional service must match that of the FMS plan. The optional service plan is always assigned the same contract date as the FMS service. The full rates and charges as specified in Sections 7.5.9(C)(5) and 7.25.20 apply for ASWC and ISDP, respectively.

- (11) When service is provided under a Shared Network Arrangement as set forth in (9) preceding, all rates and charges applicable to the service user for the type of arrangement involved will apply.

Service availability limited. See # footnote on Page 7-85.

(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

- (11) FMS pricing is applicable to channel terminations or Collocated Interconnection Cross-Connect Service and SPOT Bay Frame and Terminations, which are described in Section 19 following, at the primary premises and the associated channel mileage, multiplexing, installation and maintenance services. (See Note below.)

FMS IEF channel terminations are associated with normal FMS DS3 mileage and multiplexing. The FMS rates for these service elements are not available for services in other plans (month-to-month or term) as stated in 7.2.13(D)(9)(b). All other channel terminations, features and functions are priced and ordered from the standard special access offerings. The FMS recurring monthly rates consist of the following rate elements:

(a) Primary Premises Channel Termination

The DS0 equivalent channel termination will cover primary premises entrance facilities, including the interface.

FMS IEF DS0 equivalent channel terminations are available in rate bands of DS3 equivalency after the third rate band and a minimum of 2016 DS0 channel terminations have been purchased. The DS0 channel terminations at a DS3 network interface are available in rate bands of DS3 equivalency. DS0 channel terminations at a DS1 entrance facility are available on a per DS0 basis after the initial minimum is met.

(b) Primary Premises Cross-Connect

The cross-connect will cover primary premises entrance facilities. Both Physical and Virtual Collocated Cross-Connect Service and Physical Collocated SPOT Bay Frame and Terminations are available. For DS3 Primary Premises Cross-Connects, a minimum order of 672 is required. For DS1 Primary Premises Cross-Connects, a minimum of 144 DS0s is required.

Service availability limited. See # footnote on Page 7-85.

(N)

Note: See Section 19 following for further information.

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(11) (Cont'd)

(c) Channel Mileage

Channel mileage for FMS is measured as if each circuit is provisioned on a point-to-point basis between the serving wire center associated with the primary premises and the wire center (serving wire center or hub, as applicable) associated with the secondary location involved. Both fixed and per-mile mileage rate elements apply at DS0 equivalency for either rating method. FMS channel mileage applies as follows:

DS1 channel mileage applies when the primary premises interface is DS1, and the signal rate to the secondary location is DS1 or less.

Basic DS3/STS1 channel mileage applies when the interface at the primary premises is DS3 or STS1 and the signal rate to the secondary premises is less than a DS3 or STS1, respectively. Direct DS3/STS1 channel mileage applies when the interface at the primary premises is DS3 or STS1 and the signal rate to the secondary location is DS3 or STS1, respectively.

OC3 channel mileage applies when the primary premises interface is an IEF OC3 or an IEF OC12 and the signal rate to the secondary location is OC3.

OC12 channel mileage applies when the primary premises has an IEF OC12 interface and the signal rate to the secondary location is OC12.

DS1, Basic DS3/STS1, and Direct DS3/STS1 channel mileage are available in month-to-month, 3-year and 5-year terms. OC3 and OC12 channel mileage are only available in 3 and 5-year term plans.

Service availability limited. See # footnote on Page 7-85.

(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(11) (Cont'd)

(d) Multiplexing

Multiplexing is charged on a DS0 equivalency basis. STS1 and DS3 to DS1 and DS1 to DS0 equivalent multiplexing (STS1/DS1, DS3/DS1 and DS1/DS0, respectively) are available. DS3/STS1 to DS1 multiplexing is applicable to all DS0 equivalent channels that terminate to a Primary Premises and meet Type 1 criteria as described in Section (B) preceding.

(e) Administration Fee

This charge covers network administration and is assessed per DS0 equivalent channel.

(12) The only nonrecurring charges applicable to FMS plan services are those special construction charges that may be applicable with building of entrance facilities and changes in network interfaces.

(13) When a customer converts to a FMS Term Plan, termination liability for a service under another plan is forgiven. Additionally, "Time-In Service Credits" (TISCs) will be given for any Rate Stability Payment Plan (RSPP) or Term Pricing Plan (TPP) with a 2-year or greater commitment period converted to FMS. TISCs can be used to buy down termination liability.

(a) One TISC is given for each month per DS0 equivalent channel provisioned on the former RSPP service. Maximum allowable time-in service credit cannot exceed 60 months for any converted RSPP or TPP. For example, at FMS conversion, a customer with a DS3 3-year RSPP that has been in service for the past 30 months with 480 of the 672 available channels provisioned will be assigned 14,400 TISCs.

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(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(13) (Cont'd)

- (b) One TISC can be used to offset or buy down 1 month of termination liability per equivalent DS0.
 - (c) Twelve (12) TISCs can be used to offset one FMS channel service below the minimum commitment level for a year.
- (14) The FMS customer must notify the Company in writing no later than three months prior to a desired change in service regarding renewal, discontinuance, or conversion.
- (a) When the customer opts to renew for either a 3 or 5 year term plan, the commitment level of the renewed plan will be equal to the number of DS0 equivalent services that are actually in service as of the date of renewal.
 - (b) When a notice of discontinuance is received three months prior to expiration date, the Company, upon request, will work with the customer to design a dedicated special access network to support the customer's traffic.

Standard Special Access rates (basic or term) will apply when the channel services are converted. FMS rates will apply to that portion that is not converted until network reconfiguration is complete.
 - (c) When notice is not received within three months of expiration date, the expiring FMS Term Plan will be renewed. The commitment level of the renewed plan will be equal to the number of DS0 equivalent services that are actually in service as of the date of renewal. The renewed plan will also have a commitment period equal to that of the expiring plan and the plan will be considered new. The renewed plan will be effective no later than the second bill period following the date of renewal. Billing based on the expiring plan and the expiring commitment level will continue until the renewed plan is in effect.

Service availability limited. See # footnote on Page 7-85.

(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(D) Terms and Conditions (Cont'd)

(14) (c) (Cont'd)

If, within the first 60 days of the date of renewal, the customer elects to cancel the renewed plan, discontinue the FMS Term Plan or convert its FMS services to standard Switched Access Services, termination liability will not apply to make such a change.

- (15) When the customer elects to discontinue FMS and to establish a new network arrangement, no nonrecurring charges will apply except for the following:

- (a) Installation nonrecurring charges will apply for the establishment of any new channel terminations.
- (b) Nonrecurring charges will apply for the addition of any new optional feature or function.

(E) FMS Term Plan Termination Without Liability

- (1) Termination liability does not apply when cancellation of an FMS term plan occurs within thirty (30) days of the effective date of a Telephone Company initiated rate increase that is greater than eight percent on any rate applicable to FMS. (Effective December 7, 1999, existing FMS customers may cancel their FMS term plans without liability by notifying the Telephone Company of their intent to cancel no later than January 6, 2000.)
- (2) Termination liability will not apply when the plan is cancelled or converted within the first sixty (60) days following renewal of the plan under (D) (14) (c) preceding.
- (3) A request to change to a longer FMS commitment period will nullify the current termination liability. Term liability associated with the new plan will apply.
- (4) Termination liability will not be charged if a customer changes from a FMS Term Plan, in its entirety, to another Bell Atlantic term plan as long as all of the following requirements are met:

Service availability limited. See # footnote on Page 7-85.

(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)7.2 Service Descriptions (Cont'd)7.2.13 Facilities Management Service# (Cont'd)

(T)

(E) FMS Term Plan Termination Without Liability (Cont'd)

(4) (Cont'd)

- (a) FMS has been in service for a minimum of 12 months.
- (b) The quantity of DS0 equivalent channel terminations in the new plan is equal to, or greater than, 90% of the existing FMS primary premises channel terminations or 90% of the original commitment level of FMS primary premises channel terminations, whichever is greater.
- (c) The commitment period for the new term plan is of equal or greater length than the time remaining in the FMS plan period.

(F) FMS Term Plan Termination Liability

- (1) Termination liability is applicable when FMS is discontinued prior to the end of the selected plan period, except as set forth in 7.2.13(E) preceding.
- (2) Termination liability will be computed as follows:
 - (a) If discontinued within the first year, the customer will be liable for 100% of the total monthly FMS charges for the unexpired portion of the initial 12 months, plus 20% of the total monthly charges for the unexpired portion of the commitment plan period in excess of 12 months.
 - (b) If service is discontinued after the first 12 months of a plan period but prior to the end of the selected plan period, the termination liability is equal to 20% of the total monthly charges for the unexpired portion of the plan period.
 - (c) The total monthly FMS charges used to calculate the termination liability will be equal to the total FMS monthly recurring charges billable on the date of discontinuance.

Service availability limited. See # footnote on Page 7-85.

(N)

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ACCESS SERVICE

7. Special Access Service (Cont'd)

7.2 Service Descriptions (Cont'd)

7.2.13 Facilities Management Service (Cont'd)

(G) Subscription to National Discount Plan

During the time that the customer is subscribed to an FMS Term Plan, the customer may concurrently subscribe to a National Discount Plan (NDP) in accordance with Section 25.3 following.

(N)
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(N)

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EXHIBIT 23

Verizon Tariff F.C.C. No. 1, at § 21.22(E)(2)(e)(1);
§ 21.24(E)(2)(e)(1); § 21.56(E)(2)(c)(2); §
21.57(I)(3); § 21.57(Q)(4)

ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21

(N)

(A) Scope

Contract Tariff Option 21 (**Option 21**) is offered for a service commitment period of one (1) year and provides a customer with a one-time credit when it meets certain total billed revenue (**TBR**) thresholds set forth in (B)(2) following for the Qualifying Services set forth in (E)(1) following (**TBR for Qualifying Services**). Calculation of TBR for Qualifying Services shall be in accordance with the terms of this Option 21.

(B) Eligibility

The customer must meet all of the following eligibility criteria in order to be eligible for subscription to Option 21.

- (1) A customer subscribes to Option 21 by submitting a written authorization in a manner designated by the Telephone Company during the thirty (30) day period which begins on February 17, 2005 and ends on March 18, 2005 (**Subscription Period**).
- (2) During the twelve (12) month period prior to the commencement of the Service Period (as defined in (C) following), the customer must have achieved both:
 - (a) a minimum of \$144,000,000 (**\$144M**) in billed revenue for all Qualifying Services (as defined in (E) following) purchased by the customer from the Telephone Company; and
 - (b) a minimum of \$45,000,000 (**\$45M**) in billed revenue in Qualifying Facilities Management Services (**FMS**) (as defined in (E)(1) following) purchased by the customer from the Telephone Company. The billed revenue for all Qualifying Services as set forth in (B)(2)(a) preceding shall include the billed revenue for Qualifying FMS.
- (3) During the Service Period, the customer must achieve a TBR, as described in (E)(1)(b) following, for Qualifying Services (as defined in (E)(1) following) of not less than \$134,000,000 (**\$134M**) and no more than \$165,000,000 (**\$165M**) for Qualifying Services.

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(B) Eligibility (Cont'd)

- (4) In order to receive any Billing Credit (as defined in (E)(2)(a) following), other than a Billing Credit of \$0 under this Option 21, the customer must achieve both:
- (a) a minimum TBR of at least \$144M of Qualifying Services and less than or equal to a maximum of \$165M; and
 - (b) a minimum TBR of at least \$45M of Qualifying FMS during the Service Period. The TBR for Qualifying Services set forth in (B)(4)(a) preceding shall include the TBR for Qualifying FMS.
- TBR for Qualifying Services and TBR for Qualifying FMS shall be calculated using the criteria and mechanism set forth in this Option 21. Billing Credits shall vary depending on the TBR for Qualifying Services and Qualifying FMS achieved by the customer during the Service Period, and such Billing Credits shall be calculated in accordance with terms and conditions of this Option 21.
- (5) Other than as set forth in (E)(5) following, the customer may not concurrently subscribe to any other tariff arrangement, contract tariff option, special service arrangement, or Individual Case Basis (ICB) arrangement offered by the Telephone Company and available to the customer either currently or at any time during the Service Period which provides a discount, credit, or other reduction in rates or terms based on achievement of certain revenue targets by the customer for the Qualifying Services.

(C) Service Period

The Service Period of this Option 21 shall be for a period of one (1) year beginning March 1, 2005 (**Service Period**).

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(D) Service Area

The Billing Credit will be provided only in the Metropolitan Statistical Areas (**MSAs**) that have achieved Phase I or Phase II pricing flexibility under this tariff and the Telephone Company's Tariff F.C.C. Nos. 11 and 14 (**Service Area**). Wire centers for the Phase II MSAs are listed in Section 14.7 preceding, Section 15.3 of the Telephone Company's Tariff F.C.C. No. 11, and Section 19.1 of the Telephone Company's Tariff F.C.C. No. 14. Any additions of, or changes to, the MSAs (including changes to wire centers or Level 1/Level 2 pricing status as described in Section 14.7 preceding) that occur during the Service Period of this Option 21 will apply. No Billing Credits will be provided in the operating territories of the Telephone Company's Tariff F.C.C. No. 16, on Advanced Services purchased from Section 16 preceding, or from the Telephone Company's other tariffs offering Advanced Services, but the calculation of the TBR for the Qualifying Services will include all Qualifying Services purchased by the customer under Section 16 preceding and the Telephone Company's Tariff F.C.C. Nos. 16 and 20 as set forth in (E)(1)(a) following.

(x)
(x)
(x)
(x)
(x)(x)
(x)
(x)(x)
(x)

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions

(1) Qualifying FMS and Qualifying Services

(a) Description of Qualifying Services

Qualifying Services will be comprised of the following services purchased by the customer during the Service Period:

- (1) Special Access Voice Grade, Digital Data Service (**DDS**), DS1, DS3, and SONET services, as set forth in Sections 7 and 8 preceding, and Section 25 following; the Telephone Company's Tariff F.C.C. No. 11 (Sections 7, 25, 26, 30, and 31); the Telephone Company's Tariff F.C.C. No. 14 (Sections 5 and 20); and the Telephone Company's Tariff F.C.C. No. 16 (Sections 7 and 20) (collectively, **Special Access**); (x)
- (2) Switched Access DS1 and DS3 Direct Trunk Transport services, as set forth in Section 6 preceding; the Telephone Company's Tariff F.C.C. No. 11 (Sections 6, 30, and 31); the Telephone Company's Tariff F.C.C. No. 14 (Section 4); and the Telephone Company's Tariff F.C.C. No. 16 (Section 6) (collectively, **Switched DTT**); and (x)
- (3) Advanced Services, as set forth in Sections 16 and 22 preceding; the Telephone Company's Tariff F.C.C. No. 20; the Telephone Company's Tariff F.C.C. No. 11 (Sections 17 and 33); the Telephone Company's Tariff F.C.C. No. 14 (Section 16); and the Telephone Company's Tariff F.C.C. No. 16 (Section 18) in the operating territories covered by such tariffs (collectively, **Advanced Services**); and (x)
- (4) Qualifying FMS which is comprised of any Switched or Special Access FMS, as set forth in Sections 6.8.26 and 7.2.13 preceding, and the Telephone Company's Tariff F.C.C. No. 11 (Sections 6.2.12 and 7.2.16) (**Qualifying FMS**) (x)

If the Telephone Company introduces a new Special Access Service, Switched DTT Service, Advanced Service, or an enhancement to an existing Special Access Service, Switched DTT Service or Advanced Service in its Tariff F.C.C. Nos. 1, 11, 14, 16, and 20 (collectively, **Tariffs**), then such services shall be automatically included in Qualifying Services, and the customer's purchases of such new or enhanced Qualifying Services shall be included in the calculation of TBR, subject to the terms and conditions set forth in this Option 21. (x)

All other services purchased by the customer from the Telephone Company or any affiliate of the Telephone Company and not listed in this (E)(1)(a) shall not be eligible for inclusion as a Qualifying Service under this Option 21. (N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(b) Revenues Included in Calculation of TBR for Qualifying Services

The customer's TBR for Qualifying Services shall include only the following:

- (1) monthly billed recurring revenues, including any credits or discounts given under existing pricing plans (e.g., Term Payment Plans or Commitment Discount Plan), if applicable, that are generated in the course of billing monthly recurring revenue for the Qualifying Services provided during the Service Period;
- (2) certain installation and maintenance related non-recurring revenues associated with new installations of certain Qualifying Services provided during the Service Period; and
- (3) any credits and adjustments made to monthly recurring billed amounts for Qualifying Services, as set forth in (E)(1)(b)(1) preceding, which are purchased by the customer during the Service Period.

(c) Examples of Revenue Not Included in Calculation of TBR for Qualifying Services

TBR for Qualifying Services does not include any revenue other than as set forth in (E)(1)(b) preceding. The following types of charges are an illustrative list and are not intended to be a comprehensive listing of all other charges excluded from the calculation of TBR for Qualifying Services.

- non-recurring charges other than those set forth in (E)(1)(b) preceding;
- taxes, or other charges imposed by a federal, state, local, or other governmental entity (e.g. Federal Universal Service Fund);
- service or administrative fees or charges imposed by the Telephone Company (e.g. Interest penalty, late payment penalty);
- any other charges which are not applied on a recurring monthly basis;
- any other billed amount related to Qualifying Services for which payment is being withheld or under dispute by the customer;
- credits or adjustments provided by the Telephone Company that apply to any period other than the Service Period and to any services other than the Qualifying Services;
- Shortfall or overage charges associated with term plan true-ups (e.g., such as failure to satisfy commitment levels pursuant to a term plan);
- minimum period charges;
- termination liabilities; or
- Billing Credits (as defined in (E)(2)(b) under this Option 21.

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(d) FMS Plan - Combined Commitment Levels and Coterminous Expiration Date

(1) Combined Commitment Level

All of the customer's FMS Special Access and Switched Access DS-0 Commitment Levels in this tariff and in the Telephone Company's Tariff F.C.C. No. 11 shall be combined together to form one Commitment Level, allowing the Telephone Company to manage FMS as a single plan across both tariffs. Commitment Levels for FMS are specified in Sections 6.8.26(D)(3) and 7.2.13(D)(3) preceding and Sections 6.2.12(E)(5) and 7.2.16(E)(5) in the Telephone Company's Tariff F.C.C. No. 11. This combined Commitment Level shall be the Commitment Level used to determine compliance with the FMS plan. In the event that the customer does not meet the combined DS-0 equivalent Commitment Level at the time of the Annual Review, then the customer shall be subject to any applicable shortfall penalties that may be assessed in accordance with Sections 6.8.26(D)(3)(b)(ii) and 7.2.13(D)(3)(b)(ii) preceding and Sections 6.2.12(E)(4)(b) and 7.2.16(E)(4)(b) of the Telephone Company's Tariff F.C.C. No. 11.

(x)
(x)
(x)
(x)
(x)
(x)
(x)
(x)

(2) Coterminous Expiration Date

Regardless of the existing term of a Qualifying FMS, all Qualifying FMS shall become coterminous and expire on May 1, 2007. In the event that the customer terminates any FMS plan prior to May 1, 2007, termination liability under each FMS plan shall apply as set forth in Sections 6.8.26(F) and 7.2.13(F) preceding and Sections 6.2.12(G)(3) and 7.2.16(G)(3) of the Telephone Company's Tariff F.C.C. No. 11.

(x)
(x)

Except as otherwise set forth in this Option 21, the terms and conditions of the applicable FMS plans shall continue to apply to Qualifying FMS purchased by customer. The terms of this (E)(1)(d) shall survive expiration of this Option 21 and remain in effect until May 1, 2007.

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(e) Mergers and Acquisitions of Customer

In the event the customer merges with another company, acquires a company or a portion of the business of another company, or is acquired in whole or in part by another company, the following terms and conditions will apply in addition to any other terms and conditions set forth in this Option 21 and the Tariffs.

- (i) The customer may not combine or include any revenues from the merged, acquiring, or acquired company, or assets of such merged, acquiring, or acquired company in the calculation of TBR for Qualifying Services.
- (ii) The customer shall continue subscribing to this Option 21 and the applicable Contract Tariffs for the duration of the Service Period based on its business with the Telephone Company as of February 17, 2005, without adding the revenues attributable to expansion of the customer's purchase of Services from the Telephone Company through merger, transfer, assignment, or acquisition.
- (iii) The Telephone Company reserves the right to terminate this Option 21 if the customer does not adhere to the provisions of this (E)(1)(e).

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(f) Sale of Verizon Operating Telephone Company

If a Verizon operating telephone company issuing this tariff, or the assets of such Verizon operating telephone company are acquired by an unaffiliated third party (**Acquired VZ Telco**), and the Telephone Company does not provide the Qualifying Services to the customer after such time, then the following terms and conditions shall apply, in addition to any other terms and conditions set forth in the Telephone Company's Tariffs F.C.C. No. 1, No. 11, No. 14, No. 16, and No. 20.

(x)
(x)

- (i) each range or tier of the TBR for Qualifying FMS and the TBR for Qualifying Services set forth in the table in (E)(2)(b) following shall be proportionately reduced by the applicable Acquisition Reduction Amount (as calculated in this (E)(1)(f));
- (ii) all Billing Credits set forth in the table in (E)(2)(b) following shall be reduced by a percentage which shall be calculated by dividing the Acquisition Reduction Amount for Qualifying Services by \$144M; and
- (iii) in calculating the Shortfall Penalty or Termination Liability, as set forth in Sections (E)(3) and (E)(4) following, respectively, the TBR of \$134M for Qualifying Services shall be reduced by the Acquisition Reduction Amount for Qualifying Services, or the Acquisition Reduction Amount for Qualifying FMS, as calculated in this (E)(1)(f). For example, if the Acquisition Reduction Amount for Qualifying Services, as calculated in this (E)(1)(f), is \$7,500,000 (**\$7.5M**), then a Shortfall Penalty will not be assessed if the customer has a TBR for Qualifying Services of at least \$126,500,000 (the minimum TBR for Qualifying Services of \$134M less the Acquisition Reduction Amount of \$7.5M).

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)

21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(f) Sale of Verizon Operating Telephone Company (Cont'd)

An Acquisition Reduction Amount shall be calculated for each of the Qualifying FMS and the Qualifying Services as follows:

Step 1: calculate the TBR for Qualifying FMS or the TBR for Qualifying Services, as applicable, purchased by the customer from the Acquired VZ Telco during the twelve (12) months prior to the time that the Acquired VZ Telco ceases to provide the Services;

Step 2: calculate the average monthly amount purchased by the customer from the Acquired VZ Telco for Qualifying FMS or the TBR for Qualifying Services, as applicable, by dividing the number in Step 1 above by 12; and;

Step 3: multiply the average monthly amount for Qualifying FMS or the TBR for Qualifying Services, as applicable, calculated in Step 2 above by the number of months remaining in the Service Period.

(N)

(N)

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ACCESS SERVICE

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21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(f) Sale of Verizon Operating Telephone Company (Cont'd)

As an illustrative example, assume that Verizon Delaware LLC was acquired by an unaffiliated third party and ceased to operate in month 3 of the Service Period. Assume that the customer purchased \$4,000,000 (\$4M) of Qualifying FMS and a total of \$10,000,000 (\$10M) of Qualifying Services from Verizon Delaware LLC during the twelve (12) months prior to the time that Verizon Delaware LLC ceased to provide the Services under this Option 21. Assume also that at the end of the Service Period, the customer has achieved a TBR for Qualifying FMS of \$47,000,000 and TBR for Qualifying Services of \$150,000,000. To calculate the applicable Billing Credit, or the application of Shortfall Penalty (as defined in (E)(3) following) at the end of the Service Period, the following shall apply:

Step 1: calculate the Acquisition Reduction Amounts. The Acquisition Reduction Amount for Qualifying Services is \$7.5M in Qualifying Services (calculated as \$833,333 (\$10M divided by 12) multiplied by the remaining 9 months of the Service Period). The Acquisition Reduction Amount for Qualifying FMS is \$3,000,000 (\$3M) (calculated as \$333,333 (\$4M divided by 12) and multiplied by the remaining 9 months of the Service Period).

Step 2: determine the new table for calculation of Billing Credits or Shortfall Penalties (as defined in (E)(3) following) based on the Acquisition Reduction Amounts. Subtract \$7.5M (the Acquisition Reduction Amount for Qualifying Services) from each range or tier of the TBR for Qualifying Services and \$3M (the Acquisition Reduction Amount for Qualifying FMS) from each range or tier of the TBR for Qualifying FMS. This will provide an adjusted table for the determination of the Billing Credit or Shortfall Penalty, as applicable.

Step 3: determine the applicable Billing Credits as defined in (E)(2) or Shortfall Penalty as described in (E)(3) from the new table calculated in Step 2 above. In this example, the Billing Credit set forth in the table at (E)(2) following will be reduced by 5.2% (calculated as \$7.5M divided by \$144M). Customer would be eligible for a Billing Credit of \$11,470,000 (\$12,100,000 Billing Credit using the table set forth in (E)(2)(b) following less \$630,000 (\$12,100,000 multiplied by 0.052).

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying FMS and Qualifying Services (Cont'd)

(g) Business Downturn

In the event of a Business Downturn (as defined in this (E)(1)(g)) which results in Customer being unable to meet the minimum TBR for Qualifying Services of \$134M (and notwithstanding the customer's best efforts to avoid such a shortfall), the customer shall not be liable for a Shortfall Penalty pursuant to (E)(3) following to the extent that the Business Downturn results in a reduction in the Qualifying Services purchased by the customer as set forth in this (E)(1)(g). In the event that the customer seeks to invoke the Business Downturn clause under this Option 21, then it shall provide to the Telephone Company written notice of its intent to exercise this clause and any information and records requested by the Telephone Company to support its claim, including without limitation, documentation demonstrating that the End User's bankruptcy, liquidation, or reorganization resulted in the termination or severe decrease in purchases of Qualifying Services by the customer. At its option, the Telephone Company may conduct an audit of the customer's records relating to the discontinued Qualifying Services. Other than with respect to the relief from the Shortfall Penalty as expressly provided in this section, this provision does not constitute a waiver of any charges, penalties, or other amounts, including without limitation, the Shortfall Penalty and any termination liabilities, which the Telephone Company may otherwise be entitled to under this Option 21 or the applicable Tariffs.

(x)

Business Downturn shall mean the loss of one or more customers of the customer (**End Users**) due to the bankruptcy, reorganization, or liquidation of such End User(s), which results in the End User(s) ceasing to purchase, or severely curtailing its purchases of Qualifying Services from the customer, which in turn directly results in a twenty-five (25%) or greater reduction in the minimum TBR for Qualifying Services of \$134M (i.e., Customer's TBR at the end of the Service Period must be at or below \$100,500,000 (\$100.5M) in order to exercise this clause). For example, assume that an End User declared bankruptcy and ceased purchasing services from Customer, which in turn resulted in a corresponding decrease in the customer's purchase of the Qualifying Services. As a result, the customer's TBR for the Qualifying Services at the end of the Service Period is \$120,000,000. Under this scenario, the customer has not experienced a Business Downturn as defined herein since the customer has achieved a TBR of more than \$100.5M. The customer shall be liable for a Shortfall Penalty of \$7M pursuant to Section (E)(3) following.

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit

- (a) At the end of the Service Period, the Telephone Company shall calculate (1) the total TBR achieved by the customer during the Service Period for Qualifying Services; and (2) the total TBR achieved by the customer during the Service Period for Qualifying FMS, in each case in accordance with the terms and condition set forth in this Option 21. Subject to the terms and conditions relating to disputes as set forth in (E)(3)(iv) and (E)(3)(v) following, and subject to any reductions and adjustments as set forth herein, the customer shall be eligible to receive the applicable credit set forth in the table at (b) following (the **Billing Credit**), which Billing Credit may be \$0 depending on the customer's TBR for the Qualifying Services and TBR for the Qualifying FMS during the Service Period. If the customer has not met the minimum TBR requirement for Qualifying Services of \$134M, or the adjusted minimum TBR requirement pursuant to (E)(1)(f) preceding, then the customer shall not receive any Billing Credits (i.e., a Billing Credit of \$0 as set forth in the table set forth in (E)(2)(b) following), and the customer shall be liable for the Shortfall Penalty as set forth in (E)(3) following.
- (b) The Billing Credit shall be determined by using the table below. To calculate the Billing Credit, first, locate the customer's TBR for Qualifying FMS using the "x axis" of the table below under the heading "TBR for Qualifying FMS (\$M)". Second, locate the customer's TBR for all Qualifying Services using the "y axis" of the table below under the heading "TBR for Qualifying Services (\$M)". Third, find the corresponding meet-point of the two TBR amounts to determine the dollar amount of the Billing Credit. TBR Amounts will be rounded up or down to the nearest \$10,000. As an illustrative example, assume that the customer has a TBR for Qualifying FMS of \$46,993,456.27 (rounded down to \$46.99) and a TBR for all Qualifying Services of \$154,494,666.23 (rounded down to \$154.49M), then the customer shall be eligible for a Billing Credit of \$8,100,000.00

(N)

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21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(b) (Cont'd)

	TBR for Qualifying FMS (\$M)							
	0.00 to 44.99	45.00 to 46.99	47.00 to 48.99	49.00 to 50.99	51.00 to 52.99	53.00 to 54.99	55.00 to 56.99	57.00 +
TBR for Qualifying Services (\$M)								
134.00 – 143.99*	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
144.00 – 146.62	\$0.0	\$4.2	\$4.9	\$5.6	\$6.3	\$7.0	\$7.7	\$8.4
146.63 – 149.24	\$0.0	\$5.5	\$6.2	\$6.9	\$7.6	\$8.3	\$9.0	\$9.7
149.25 – 151.87	\$0.0	\$6.8	\$7.5	\$8.2	\$8.9	\$9.6	\$10.3	\$11.0
151.88 – 154.49	\$0.0	\$8.1	\$8.8	\$9.5	\$10.2	\$10.9	\$11.6	\$12.3
154.50 – 157.12	\$0.0	\$9.4	\$10.1	\$10.8	\$11.5	\$12.2	\$12.9	\$13.6
157.13 – 159.74	\$0.0	\$10.7	\$11.4	\$12.1	\$12.8	\$13.5	\$14.2	\$14.9
159.75 – 162.37	\$0.0	\$12.1	\$12.8	\$13.5	\$14.2	\$14.9	\$15.6	\$16.3
162.38 – 165.00	\$0.0	\$13.4	\$14.1	\$14.8	\$15.5	\$16.2	\$16.9	\$17.6

* Shortfall Penalty applies if Customer is below this range for Qualifying Services, as set forth in (E)(3) following.

- (c) The Billing Credit shall apply after all other discounts, adjustments, and credits to the customer's monthly billed recurring revenues for the Qualifying Services have been calculated and applied. For instance, if the customer subscribes to Commitment Discount Plan as set forth in Section 25 of this tariff (CDP), then the customer would be billed CDP discounted rates on a monthly basis. These discounted revenues would be included in the customer's TBR for the Qualifying Services calculation as set forth (E)(2)(b) preceding. In accordance with (E)(1)(c) preceding, any Shortfall Penalties (as defined in (E)(3) following) resulting from an annual true-up as required by CDP would not be included in the TBR for the Qualifying Services.
- (d) If the customer exceeds the maximum TBR for Qualifying Services of \$165M during the Service Period, the customer will not receive the Billing Credit under this Option 21. If the customer exceeds the TBR for Qualifying FMS of \$57M, but has not exceeded a TBR for Qualifying Services of \$165M, then the customer shall continue to be eligible for the applicable Billing Credit set forth in the table at (E)(2)(b) preceding based on the TBR for Qualifying Services.

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21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(e) Timing of Payments and Billing Credits; Disputes; Releases and Waivers

(1) If the customer is eligible to receive the Billing Credit, the Billing Credit will be credited to the customer's account no later than the ninetieth (90th) day following the end of the Service Period, subject to the terms of this Option 21. If the customer is required to pay a Shortfall Penalty in accordance with the terms of (E)(3) following, then the customer shall pay such amount no later than the ninetieth (90th) day following the end of the Service Period.

(2) The Telephone Company's provision of the Billing Credit is contingent on payment in full by the customer of all undisputed billed amounts for Qualifying Services no later than the 45th day after the end of the Service Period. After the 45th day following the end of the Service Period, any amounts that remain disputed or are withheld by the customer (i.e., not paid in full) shall not be used in calculation of the TBR for the Qualifying Services, TBR for Qualifying FMS, in determination of the Billing Credit, or in determination of any applicable Shortfall Penalty, as applicable. The foregoing shall apply regardless of whether such dispute is resolved in favor of the customer at a later date.

(3) Upon inclusion of any amounts in the TBR for Qualifying Services or in the TBR for Qualifying FMS, the parties agree to the following:

(i) such amounts included in the calculation of TBR shall not be subject to dispute at a later date. The Telephone Company shall not backbill for any Qualifying Services included in the calculation of the TBR;

(ii) each party waives and releases, and forever discharges the other party of and from any and all manner of claims, demands, rights, liabilities, damages, potential actions, causes of action, suits, agreements, judgments, decrees and controversies of any kind and nature whatsoever, at law, in equity, or otherwise, whether known or unknown, which have arisen or might arise related to amounts payable by the customer or amounts credited to the customer by the Telephone Company for the Qualifying Services provided by the Telephone Company to the customer during the Service Period.

(iii) The customer shall retain its right to dispute with respect to any amounts that are not included in the TBR for Qualifying Services or in the TBR for Qualifying FMS. The Telephone Company shall retain its rights to backbill for any Qualifying Services not included in the calculation of TBR for the Qualifying Services.

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21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(e) Timing of Payments and Billing Credits; Disputes; Releases and Waivers (Cont'd)

(3) (Cont'd)

(iii) (Cont'd)

As an illustrative example, assume that the Telephone Company calculates the TBR for the Qualifying Services to be equal to \$160,000,000 (**\$160M**), and the TBR for Qualifying FMS to be equal to \$50,000,000 (**\$50M**). Assume that of the \$160M, the customer disputes \$10M in Special Access Services, and has no other disputes for Qualifying Services. Assume also that the customer has paid such amount and that such dispute remains unresolved as of the 90th day following the end of the Service Period. Then, the final TBR for Qualifying Services shall be \$150,000,000 (\$160M less the \$10M in disputes) and the final TBR for Qualifying FMS of \$50M, and the Telephone Company shall pay a Billing Credit of \$8,200,000 in accordance with the terms of this Option 21. The customer shall retain its right to dispute and recover any amounts (and interest penalties, as applicable) on the outstanding dispute of \$10M, but such amounts (even if resolved in favor of the customer at a later date) shall not result in an adjustment of the Billing Credit. The Telephone Company may backbill the customer for any Qualifying Services included in the \$10M. Upon payment of the Billing Credit, the customer may not dispute, and the Telephone Company may not backbill, charges on any amounts included in the \$150,000,000 (the TBR for Qualifying Services) or in the \$50M (the TBR for Qualifying FMS).

- (iv) With respect to any dispute for Qualifying Services, the customer must provide sufficient claim detail to enable the Telephone Company to appropriately assess the dispute, including but not limited to, the Billing Account Number (BAN), circuit ID, USOC detail, amount in dispute, appropriate tariff references, and a full explanation regarding why the customer believes it was billed in error.

(N)

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(2) Calculation of TBR and Billing Credit (Cont'd)

(e) Timing of Payments and Billing Credits; Disputes; Releases and Waivers (Cont'd)

(3) (Cont'd)

(v) The customer's disputes with respect to Qualifying FMS shall reduce the amount of the TBR for Qualifying FMS as calculated in (E)(2) preceding. Notwithstanding the foregoing, the aggregate amount of all disputes (including disputes for Qualifying FMS from the prior sentence and Services other than Qualifying FMS) shall reduce the amount of the TBR for Qualifying Services, as calculated in accordance with the terms of this Option 21. For example, if the customer has billed revenue of \$50M in Qualifying FMS, of which \$5,000,000 (\$5M) are disputed by the customers, then the TBR for Qualifying FMS shall be \$45,000,000. In addition, assume that the customer has \$150M of billed revenue of Qualifying Services, which amount includes billed revenues of \$50M in Qualifying FMS. If the customer has disputes of \$10M on Services other than Qualifying FMS, then the TBR for Qualifying Services shall be \$135,000,000 (\$150M less \$15,000,000 in disputes (comprised of \$5M in disputes on Qualifying FMS plus \$10M in disputes on other Switched Access, Special Access, and Advanced Services)).

(vi) The amount of the Billing Credit shall not be subject to any interest penalty.

(N)

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21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(3) Shortfall Penalty

If the customer does not satisfy the minimum TBR requirement for Qualifying Services of \$134M during the Service Period, the customer will pay a shortfall payment equal to fifty percent (50%) of the difference between minimum TBR of \$134M, or the adjusted minimum TBR requirement as set forth in (E)(1)(f) preceding, as applicable, and the customer's actual annual TBR for the Qualifying Services during the Service Period (the **Shortfall Penalty**). In addition, and even upon payment of the Shortfall Penalty as set forth in the prior sentence, the customer will not be eligible to receive any applicable Billing Credits under this Option 21. If the customer has a TBR for Qualifying Services of at least \$134M, or an adjusted minimum TBR requirement as set forth in Section (E)(2) preceding, then no Shortfall Penalty, as set forth in this Section (E)(3), shall apply, but the customer may be ineligible for any Billing Credits, as set forth in the table set forth in (E)(2)(b) preceding, based on the customer's TBR for Qualifying Services and the customer's TBR for Qualifying FMS, each as adjusted in accordance with (E)(1)(f) preceding, as applicable. As an illustrative example, assume that the customer has achieved a TBR for the Qualifying Services of \$125,000,000 (**\$125M**) during the Service Period, and assuming that no adjustment under (E)(2) occurred, then the customer shall pay to the Telephone Company an amount equal to \$4,500,000 (which is equal to \$9,000,000 (i.e., minimum TBR for Qualifying Services of \$134M less the customer's actual TBR for the Qualifying Services of \$125M), multiplied by 50%). The customer will not be eligible to receive any applicable Billing Credits.

The customer shall not be charged a Shortfall Penalty for failing to meet the minimum TBR requirement for Qualifying FMS of \$45M, or an adjusted minimum TBR requirement as set forth in (E)(1)(f) preceding, as applicable, during the Service Period. However, the customer shall not be eligible for any Billing Credits, as set forth in the table at (E)(2)(b) preceding.

(N)

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21. Contract Tariffs (Cont'd)21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(4) Termination Charges

If Customer cancels or terminates this Option 21 or its subscription to the applicable Contract Tariff Option(s) under the Tariffs prior to the expiration of the Service Period, the customer will be liable for one hundred percent (100%) of the difference between the customer's TBR for the Qualifying Services at the time of cancellation or termination and the minimum TBR for Qualifying Services of \$134M, or the adjusted minimum TBR requirement as set forth in Section (E)(1)(f) preceding, as applicable. The foregoing does not apply in the event that the customer terminates this Option 21 for the Telephone Company's failure to materially comply with this Option 21 or the Tariffs applicable to the Qualifying Services. In addition, the customer shall not be eligible for the Billing Credit. This section does not relieve the customer of any termination liabilities or minimum period charges under the Tariffs that may apply for termination of any individual Qualifying Service. The terms and conditions of the Tariffs, including any applicable termination liabilities, shall continue to apply with respect to termination of any Qualifying Service.

As an illustrative example, assume that the customer has a TBR for the Qualifying Services of \$100,000,000 during the first eight months of the Service Period, and that no adjustment under (E)(1)(f) preceding occurred. Also assume that the customer decides to terminate this Option 21 at such time, and that such termination is not related to a material failure by the Telephone Company to provide the Qualifying Services in accordance with the Tariffs. Customer shall pay termination charges of \$34,000,000 (the minimum TBR of \$134M for Qualifying Services less the actual TBR for the Qualifying Services of \$100,000,000, multiplied by 100%). The customer shall not be eligible for any applicable Billing Credits. In this example, if customer also terminates or discontinues one or more Qualifying Services, then customer shall be responsible for any associated termination liabilities and minimum period charges assessable under the applicable Tariff for such terminated or discontinued service.

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21. Contract Tariffs (Cont'd)

21.22 Contract Tariff Option 21 (Cont'd)

(E) Terms and Conditions (Cont'd)

(5) New Contract Tariff Option

Provided that the customer meets all of the criteria set forth in this (E)(5), the customer will be allowed to terminate Option 21 and subscribe to the New Plan without paying the termination charges set forth in (E)(4) preceding. **New Plan** shall mean another contract tariff option for the Qualifying Services offered by the Telephone Company during the Service Period with identical or greater TBR levels than those provided under this Option 21. If the customer elects to terminate this Option 21 in order to subscribe to the New Plan, then (1) the customer must so elect in writing; (2) the customer must subscribe to the New Plan concurrently with or prior to the termination date of this Option 21 or the applicable Contract Tariff Option(s) under the Tariffs; and (3) the customer must independently qualify and be eligible for such New Plan. Unless otherwise provided in the New Plan, the customer shall not be afforded any Billing Credits under this Option 21 for any time in service under this Option 21, nor shall the customer be afforded any credit in the New Plan for any portion of the Service Period that has elapsed at the time of the customer's subscription to the New Plan.

(N)

(x)
(x)

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23

(N)

(A) Scope

Contract Tariff Option 23 (**Option 23**) is offered for a service commitment period of one (1) year and provides a customer with an annual credit when it meets certain total billed revenue (**TBR**) thresholds set forth in (B)(4) following for the Qualifying Services set forth in (E)(1) following (**TBR for Qualifying Services**). Calculation of TBR for Qualifying Services shall be in accordance with the terms of this Option 23.

(B) Eligibility

The customer must meet all of the following eligibility criteria in order to be eligible for subscription to Option 23.

- (1) A customer subscribes to Option 23 by submitting a written authorization in a manner designated by the Telephone Company during the thirty (30) day period which begins on April 2, 2005 and ends on May 1, 2005 (**Subscription Period**). The customer must notify the Telephone Company of its election to each of the following three (3) options available under this Option 23 at the time of subscription to this Option 23:
 - (a) RMC option under Section (E)(2)(d) following;
 - (b) Use of Telephone Company provided Special Access Services under Section (E)(1)(f) following; and
 - (c) Qualifying DS1 Rate Stability Option under Section (E)(6) following.
- (2) During calendar year 2004, the customer must have achieved billed revenue in Qualifying Switched Access DS1 and DS3 Direct Trunk Transport services, as defined in (E)(1) following, purchased by the customer from the Telephone Company that is greater than zero (\$0) and less than a maximum of \$750,000 (**\$750K**).
- (3) During the Service Period as set forth in (C) following, the customer must achieve a TBR for Qualifying Services (as defined in (E)(1) following) of not less than \$43,000,000 (**\$43M**) and no more than \$69,000,000 (**\$69M**) for Qualifying Services.

(N)

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21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(N)

(B) Eligibility (Cont'd)

- (4) In order to receive any Billing Credit (as defined in (E)(2)(a) following), other than a Billing Credit of \$0 under this Option 23, the customer must achieve a minimum TBR of at least \$45M and less than or equal to a maximum of \$69M of Qualifying Services.
- (5) TBR for Qualifying Services and TBR for Qualifying DS1 Services (as defined in (E)(1)(b) following) shall be calculated using the criteria and mechanism set forth in this Option 23. Billing Credits shall vary depending on the TBR for Qualifying Services and the TBR for Qualifying DS1 Services achieved by the customer during the Service Period, and such Billing Credits shall be calculated in accordance with terms and conditions of this Option 23.
- (6) The customer must include all of the Access Customer Name Abbreviations (**ACNAs**) that it owns or has right to use, and all ACNAs of affiliates when subscribing to this Option 23. All such ACNAs must be verified and accepted by the Telephone Company prior to inclusion in this Option 23. All purchases of Qualifying Services by all of the customer's ACNAs and ACNAs of the customer's affiliates will be included in determining whether the customer has met the TBR for Qualifying Services.
- (7) The customer may not concurrently subscribe to any other tariff arrangement, contract tariff option, special service arrangement, or Individual Case Basis (**ICB**) arrangement offered by the Telephone Company and available to the customer either currently or at any time during the Service Period which provides a discount, credit, or other reduction in rates or terms based on achievement of certain revenue targets by the customer for the Qualifying Services.

(C) Service Period

The Service Period of this Option 23 shall be for a period of one (1) year beginning April 2, 2005 and ending April 1, 2006 (**Service Period**).

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21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(N)

(D) Service Area

The Billing Credit will be provided only in the Metropolitan Statistical Areas (**MSAs**) that have achieved Phase I or Phase II pricing flexibility under this tariff and the Telephone Company's Tariff F.C.C. Nos. 11 and 14 (**Service Area**). Wire centers for the Phase II MSAs are listed in Section 14.7 preceding, Section 15.3 of the Telephone Company's Tariff F.C.C. No. 11, and Section 19.1 of the Telephone Company's Tariff F.C.C. No. 14. Any additions of, or changes to, the MSAs (including changes to wire centers or Level 1/Level 2 pricing status as described in Section 14.7 preceding) that occur during the Service Period of this Option 23 will apply. No Billing Credits will be provided in the operating territories of the Telephone Company's Tariff F.C.C. No. 16, but the calculation of the TBR for the Qualifying Services will include all Qualifying Services purchased by the customer under (E)(1)(a) following.

(x)
(x)
(x)
(x)
(x)(x)
(x)

(N)

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21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(N)

(E) Terms and Conditions

(1) Qualifying DS1 and Qualifying Services

(a) Description of Qualifying Services

Qualifying Services will be comprised of the following services purchased by the customer during the Service Period:

- (1) Special Access Voice Grade, Digital Data Service (DDS), DS1, DS3, SONET, Dense Wave Division Multiplexing, and other Optical services, as set forth in Sections 7, 8, and 25 preceding; the Telephone Company's Tariff F.C.C. No. 11 (Sections 7, 25, 26, 30, and 31); the Telephone Company's Tariff F.C.C. No. 14 (Sections 5 and 20); and the Telephone Company's Tariff F.C.C. No. 16 (Sections 7 and 20) (collectively, **Special Access**); and
- (2) Switched Access DS1 and DS3 Direct Trunk Transport services, as set forth in Section 6 preceding; the Telephone Company's Tariff F.C.C. No. 11 (Sections 6, 30, and 31); the Telephone Company's Tariff F.C.C. No. 14 (Section 4); and the Telephone Company's Tariff F.C.C. No. 16 (Section 6) (collectively, **Switched DTT**).

(x)
(x)
(x)
(x)
(x)

If the Telephone Company introduces a new Special Access Service or Switched DTT Service, or an enhancement to an existing Special Access Service or Switched DTT Service in this tariff or in its Tariff F.C.C. Nos. 11, 14, or 16 (collectively, **Tariffs**), then such services shall be automatically included in Qualifying Services, and the customer's purchases of such new or enhanced Qualifying Services shall be included in the calculation of TBR, subject to the terms and conditions set forth in this Option 23.

(x)
(x)

All other services purchased by the customer from the Telephone Company or any affiliate of the Telephone Company and not listed in this (E)(1)(a) shall not be eligible for inclusion as a Qualifying Service under this Option 23.

(N)

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ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying DS1 and Qualifying Services (Cont'd)

(b) Description of Qualifying DS1

Qualifying DS1 (1.544 Mbps) will be comprised of the following services purchased by the customer during the Service Period:

Special Access 1.544 Mbps High Capacity services, as set forth in Section 7 preceding; the Telephone Company's Tariff F.C.C. No. 11 (Section 7); the Telephone Company's Tariff F.C.C. No. 14 (Section 5); and the Telephone Company's Tariff F.C.C. No. 16 (Section 7) (collectively, **DS1**).

(x)
(x)
(x)

(c) Revenues Included in Calculation of TBR for Qualifying Services

The customer's TBR for Qualifying Services shall include only the following:

- (1) monthly billed recurring revenues, including (that is, net) any credits or discounts given under existing pricing plans (e.g., Term Payment Plans or Commitment Discount Plan), if applicable, for the Qualifying Services provided during the Service Period; and
- (2) any credits and adjustments made to monthly recurring billed amounts for Qualifying Services, as set forth in (E)(1)(c)(1) preceding, which are purchased by the customer during the Service Period.

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21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying DS1 and Qualifying Services (Cont'd)

(d) Examples of Revenue Not Included in Calculation of TBR for Qualifying Services

TBR for Qualifying Services does not include any revenue other than as set forth in (E)(1)(c) preceding. The following types of charges are an illustrative list and are not intended to be a comprehensive listing of all other charges excluded from the calculation of TBR for Qualifying Services.

- non-recurring charges;
- taxes, or other charges imposed by a federal, state, local, or other governmental entity (e.g. Federal Universal Service Fund);
- service or administrative fees or charges imposed by the Telephone Company (e.g. Interest penalty, late payment penalty);
- any other charges which are not applied on a recurring monthly basis;
- any billed amount related to Qualifying Services for which payment is being withheld or under dispute by the customer;
- credits or adjustments provided by the Telephone Company that apply to any period other than the Service Period and to any services other than the Qualifying Services;
- Shortfall or overage charges associated with term plan true-ups (e.g., such as failure to satisfy commitment levels pursuant to a term plan);
- minimum period charges;
- termination liabilities; or
- Billing Credits (as defined in (E)(2)(b) under this Option 23)

(e) Use of Telephone Company SONET OC3 Services

For customers who subscribe to this Option 23 and also purchase new SONET IntelliLight Broadband Transport (**IBT**) OC3/OC3c service during the Service Period, a TBR multiplier of 1.15 will be applied to such TBR associated with such new SONET IBT OC3/OC3c service. IBT is set forth in Section 8.2 preceding. This multiplier shall only be used to determine the TBR for Qualifying Services, and not for any other purpose.

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21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(E) Terms and Conditions (Cont'd)

(1) Qualifying DS1 and Qualifying Services (Cont'd)

(e) Use of Telephone Company SONET OC3 Services (Cont'd)

In calculating TBR for Qualifying Services, the Telephone Company shall determine the total amount of monthly billed recurring revenues for new IBT OC3/OC3c services which have been purchased by the customer during the Service Period, and multiply the same by 1.15 (that is, a fifteen percent (15%) incentive for subscription to new IBT OC3/OC3c services). For example, assume that the customer's total amount of monthly billed recurring revenues for new IBT OC3/OC3c services during the Service Period was \$1,000,000 (\$1M). Then, in calculating TBR for Qualifying Services, the customer shall be deemed to have purchased \$1,150,000 (\$1.15M) in Qualifying Services. For purposes of this Option 23, a new SONET IBT OC3/OC3c service must meet one of the following criteria:

- (1) newly ordered and provisioned during the Service Period by the customer under this Option 23 or in the Telephone Company's Tariff F.C.C. Nos. 11, 14, or 16; or
- (2) upgrade of an existing Special Access service during the Service Period that is not a SONET IBT OC3/OC3c service (e.g., upgrade of a DS1 or DS3 to a SONET IBT OC3 service) under the provisions set forth in other sections of this tariff.

(N)

(x)
(x)

(N)

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1300 I Street, NW, Washington, D.C. 20005

ACCESS SERVICE

21. Contract Tariffs (Cont'd)21.24 Contract Tariff Option 23 (Cont'd)

(N)

(E) Terms and Conditions (Cont'd)

(1) Qualifying DS1 and Qualifying Services (Cont'd)

(f) Use of Telephone Company Provided Special Access Services

For customers who subscribe to this Option 23 and convert their DS1 capacity loops, dedicated transport, or Expanded Extended Loops (**EELs**) (collectively, **DS1 UNES**) provided by the Telephone Company as unbundled network elements (**UNES**) to Special Access DS1 Service under Section 7.2.9 preceding of this tariff, the Telephone Company will multiply the customer's TBR associated with such converted DS1 UNES by 1.50. This multiplier shall only be used to determine the TBR for Qualifying Services, and not for any other purpose.

For example, if the customer converts \$1,000,000 (\$1M) in DS1 UNES to Special Access DS1 Services during the Service Period of this Option 23, then, in calculating TBR for Qualifying Services, the customer shall be deemed to have purchased \$1,500,000 (\$1.50M) in Special Access DS1 Services for purposes of calculating the TBR for Qualifying Service.

(g) Mergers and Acquisitions of Customer

In the event the customer merges with another company, acquires a company or a portion of the business of another company, or is acquired in whole or in part by another company, the following terms and conditions will apply in addition to any other terms and conditions set forth in this Option 23 and the Tariffs.

(x)

(i) The customer may not combine or include any revenues from the merged, acquiring, or acquired company, or assets of such merged, acquiring, or acquired company in the calculation of TBR for Qualifying Services.

(ii) The customer shall continue subscribing to this Option 23, Contract Tariff Option 25 in the Telephone Company's Tariff F.C.C. No. 11, or Contract Tariff Option 13 in the Telephone Company's Tariff F.C.C. No. 14 for the duration of the Service Period based on its business with the Telephone Company as of the customer's date of subscription to Option 23 without adding the revenues attributable to expansion of the customer's purchase of Services from the Telephone Company through merger, transfer, assignment, or acquisition.

(x)

(x)

(x)

(iii) The Telephone Company reserves the right to terminate this Option 23 without any liability if the customer does not adhere to the provisions of this (E)(1)(g).

(N)

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